

**UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

**In re:**

**LeClairRyan PLLC,**

**Debtor.<sup>1</sup>**

**Case No.: 19-34574-KRH**

**Chapter 7**

**Lynn L. Tavenner, as Chapter 7 Trustee,**

**Plaintiff,**

**vs.**

**Adv. Pro. 20-03142-KRH**

**ULX Partners, LLC, UnitedLex  
Corporation, and ULX Manager, LLC,**

**Defendants.**

**FOLEY & LARDNER LLP'S MOTION REQUESTING AUTHORIZATION TO SEAL  
ITS LIMITED OBJECTION TO THE TRUSTEE'S MOTION AND MEMORANDUM  
OF LAW FOR ENTRY OF AN ORDER (I) APPROVING (A) JUDICIALLY MEDIATED  
SETTLEMENT AND (B) COMPENSATION TO COUNSEL INCLUDING AN  
IMPROVIDENT PAYMENT UNDER SECTION 328(a); AND (II) GRANTING  
RELATED RELIEF**

Foley & Lardner LLP ("**Foley**"), by and through its undersigned counsel, hereby moves the Court for entry of an order, pursuant to sections 105 and 107(b) of Title 11 of the United States Code (the "**Bankruptcy Code**"), Rule 9018 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), and the Court's own May 26, 2022 order temporarily sealing certain

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<sup>1</sup> The principal address of the Debtor as of the petition date was 4405 Cox Road, Glen Allen, Virginia 23060, and the last four digits of the Debtor's federal tax identification number are 2451.

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matters [ECF No. 1347] (the “**Temporary Sealing Order**”), to seal (1) Foley’s *Limited Objection* (together with all exhibits attached thereto, the “**Objection**”) to the *Trustee’s Motion and Memorandum of Law for Entry of an Order (I) Approving (A) Judicially Mediated Settlement and (B) Compensation to Counsel Including an Improvident Payment Under Section 328(A); and (II) Granting Related Relief* [ECF No. 1328] (the “**Settlement Motion**,” and the settlement attached thereto, the “**ULX Settlement**”). In support of this motion (this “**Objection Sealing Motion**”), Foley respectfully states as follows:

### **RELIEF REQUESTED**

1. Foley seeks entry of an order, substantially in the form attached hereto as **Exhibit A**, (A) authorizing Foley to file under seal the Objection; and (B) directing that these sealed materials shall remain under seal and confidential and not be made available to anyone without further order of the Court, except to (i) the Court; (ii) the Office of the United States Trustee for the Eastern District of Virginia (the “**UST**”); (iii) the Chapter 7 trustee (the “**Trustee**”) for the bankruptcy estate of LeClairRyan, PLLC (the “**Debtor**”) in these chapter 7 proceedings and her primary counsel, Paula Beran; (iv) Quinn Emanuel Urquhart & Sullivan LLP (“**Quinn**”); and (v) any other persons to whom access to the ULX Settlement either: (1) was requested in the *Motion to Seal Settlement Agreement and Related Documents, Information, and Hearings* [ECF No. 1325] (the “**ULX Settlement Sealing Motion**”) filed by Greenberg Traurig, LLP on behalf of ULX Partners, LLC and UnitedLex Corporation (collectively, the “**ULX Defendants**”),<sup>2</sup> or (2) shall be granted in the Court’s final resolution of the ULX Settlement Sealing Motion (collectively, the “**Access Persons**”).

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<sup>2</sup> Foley cannot further specify these persons because the ULX Settlement Sealing Motion was itself filed under seal— notwithstanding the requirement that a “motion to file under seal shall be accompanied by a non-confidential supporting memorandum, ... and a non-confidential proposed order” (E.D. Va. Loc. R. 5(C))—and Foley was not provided access to the same.

### **JURISDICTION AND VENUE**

2. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Standing Order of Reference from the United States District Court for the Eastern District of Virginia*, dated August 15, 1984.

3. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

4. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

5. The bases for the relief requested in this Objection Sealing Motion are the Temporary Sealing Order, Local Civil Rule 5 of the Local Rules for the United States District Court for the Eastern District of Virginia, sections 105(a) and 107(b) of the Bankruptcy Code, and Bankruptcy Rule 9018

### **BACKGROUND**

6. On October 26, 2020, the Trustee initiated an adversary proceeding against the ULX Defendants [ECF No. 666] (the “**ULX Adversary**”).

7. On September 2, 2021, the Trustee initiated an adversary proceeding against CVC Capital Partners, Daniel Reed, Nicholas Hinton, Josh Rosenfeld, and P. Douglas Benson (the “**Reed Defendants**”) [ECF No. 1042] (the “**Reed Adversary**” and, together with the ULX Adversary, the “**Adversary Proceedings**”).

8. After engaging in mediation, the Parties to the Adversary Proceedings informed the Court at an April 19, 2022 hearing that they had agreed to settle the Adversary Proceedings, as memorialized in the ULX Settlement. Settlement Motion, ¶ 36.

9. On May 11, 2022, the ULX Defendants filed the ULX Settlement Sealing Motion. [ECF No. 1325].

10. On May 18, 2022, the Trustee filed the Settlement Motion under seal, seeking the Court’s approval of the ULX Settlement. [ECF No. 1328].

11. On May 23, 2022, the UST filed his Opposition to the ULX Settlement Sealing Motion. [ECF No. 1333].

12. The Court scheduled a hearing on the ULX Settlement Sealing Motion for May 25, 2022. [ECF No. 1326]. It held the hearing on that date and then continued it until May 26, 2022. [ECF Nos. 1340, 1341].

13. On May 26, 2022, the Court held the continued hearing on the ULX Settlement Sealing Motion and issued the Temporary Sealing Order pursuant to which matters are “to be sealed and/or filed under seal pending final determination [of the ULX Settlement Sealing Motion] at [*sic*] June 8, 2022 hearing.” [ECF No. 1347].

14. In light of the Temporary Sealing Order, Foley moves to file its Objection, which relates explicitly to the Settlement Motion and ULX Settlement, under seal.

#### **BASIS FOR RELIEF**

15. Because the Objection relates to the Settlement Motion and the ULX Settlement, both of which have been filed under seal and are the subject of the ULX Settlement Sealing Motion that will be heard by the Court on June 8, 2022, the Objection is governed by the Temporary Sealing Order, and must be filed under seal.

#### **NOTICE**

16. Foley shall also file a notice available to the public, stating that it has filed the Objection under seal, describing the information contained therein and identifying the Temporary Sealing Order as its authorization for filing that information under seal.

#### **NO PRIOR REQUEST**

17. No prior request for the relief sought in this Objection Sealing Motion has been made to this or any other court.

**CONCLUSION**

Foley respectfully requests that the Court enter the order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other relief as the Court deems appropriate under the circumstances.

Date: June 1, 2022

Respectfully submitted,

/s/ Susan Poll Klaessy  
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**Exhibit A**

**Proposed Order**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

**In re:**

**LeClairRyan PLLC,**

**Debtor.<sup>1</sup>**

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**Lynn L. Tavenner, as Chapter 7 Trustee,**

**Plaintiff,**

**vs.**

**ULX Partners, LLC, UnitedLex  
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**Defendants.**

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**Case No.: 19-34574-KRH**

**Chapter 7**

**Adv. Pro. 20-03142-KRH**

**ORDER GRANTING FOLEY & LARDNER LLP'S MOTION REQUESTING  
AUTHORIZATION TO SEAL ITS LIMITED OBJECTION TO THE TRUSTEE'S  
MOTION AND MEMORANDUM OF LAW FOR ENTRY OF AN ORDER  
(I) APPROVING (A) JUDICIALLY MEDIATED SETTLEMENT AND (B)  
COMPENSATION TO COUNSEL INCLUDING AN IMPROVIDENT PAYMENT  
UNDER SECTION 328(A); AND (II) GRANTING RELATED RELIEF**

In consideration of Foley & Lardner LLP's *Motion Requesting Authorization to Seal Its Limited Objection to the Trustee's Motion and Memorandum of Law for Entry of an Order (I) Approving (A) Judicially Mediated Settlement and (B) Compensation to Counsel Including an Improvident Payment Under Section 328(A); and (II) Granting Related Relief* (the "**Objection Sealing Motion**"); and finding that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and further finding that venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and further finding that this Court, pursuant to its prior governing order

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<sup>1</sup> The principal address of the Debtor as of the petition date was 4405 Cox Road, Glen Allen, Virginia 23060, and the last four digits of the Debtor's federal tax identification number are 2451.

[ECF No. 1347], 11 U.S.C. §§ 105 and 107(b), and Rule 9018 of the Federal Rules of Bankruptcy Procedure, has the authority to grant the relief requested in the Objection Sealing Motion; and further finding that such relief is appropriate, it is hereby:

**ORDERED** that the Objection Sealing Motion is GRANTED;

**ORDERED** that Foley is authorized to file its Objection and accompanying declarations attached as exhibits thereto under seal;

**ORDERED** that the Objection and accompanying declarations are confidential, shall remain under seal, and shall not be made available to anyone without further order of this Court, except to the Access Persons (as defined in the Objection Sealing Motion).

**ORDERED** that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and

**ORDERED** that this Court shall retain exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Entered: \_\_\_\_\_  
Richmond, Virginia

\_\_\_\_\_  
THE HONORABLE KEVIN R. HUENNEKENS  
UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

/s/ Susan Poll Klaessy

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*Counsel for Foley & Lardner LLP*

**CERTIFICATION OF PROOF OF SERVICE**  
**UNDER LOCAL BANKRUPTCY RULE 9022-1(C)**

Pursuant to Local Bankruptcy Rule 9022-1(C), I hereby certify that the foregoing proposed order has been served upon all necessary parties.

Dated: June 1, 2022

/s/ Susan Poll Klaessy